IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

TESSERA ADVANCED TECHNOLOGIES, INC.,

Plaintiff,

VS.

SAMSUNG ELECTRONICS CO., LTD. and SAMSUNG ELECTRONICS AMERICA, INC.,

Defendants.

Civil Action No. 2:17-cv-671-JRG

FILED UNDER SEAL

CONTAINS INFORMATION DESIGNATED "RESTRICTED -ATTORNEYS' EYES ONLY"

JURY TRIAL DEMANDED

DEFENDANTS' REPLY IN SUPPORT OF THEIR MOTION TO TRANSFER UNDER 28 U.S.C. § 1404(a)

					in Dela	aware compo	els transfer.	Despite
Plaintiff's	protestations	to the	contrary,	resolution	of its	willfulness	allegations	requires
		This	is apparen	t from Plain	ntiff's ov	wn oppositio	n brief, which	ch argues
not that			is irrelev	ant, but rath	her that	the Court sh	ould adopt I	Plaintiff's

Plaintiffs do not even mention once the standard that this Court must apply in determining whether transfer is warranted. *See* D.I. 43.

to compel transfer. *Uniloc USA*, *Inc.*, *v. Cisco Sys.*, *Inc.*, No. 6:15-CV-1175-JRG, 2017 WL 959856, at *2 (E.D. Tex. Mar. 13, 2017). The Court may not adjudicate the merits of Samsung's defense. *Id.* at *4. In fact, doing so "would exceed [the Court's] authority at this preliminary stage." *Id.* "[T]he practical result is that forum selection clauses should control except in unusual circumstances." *Id.* at *2; *see also id.* ("[o]nly under extraordinary circumstances unrelated to the convenience of the parties should a § 1404(a) motion [based on a forum selection clause] be denied").

As Samsung's motion demonstrates, the nexus between Plaintiff's willfulness claims and Indeed, to resolve Plaintiff's willfulness claims, the Court will be Both Plaintiff's Complaint and Plaintiff's recently-filed First Amended Complaint make clear that Plaintiff intends to pursue willful infringement claims and to rely on post-April 2016 communications between the parties to support those claims. D.I. 1 ¶¶ 24, 37; D.I. 47 ¶¶ 24, 37.

of whether or not Samsung will ultimately prevail on its — an issue that, as discussed
above, this Court should not decide at this preliminary stage — is
unquestionably at issue.
Nothing in Plaintiff's opposition demonstrates otherwise. Far from proving that there is
no dispute between the parties regarding Plaintiff's opposition
highlights the existence of such dispute. In fact, Plaintiff devotes much of its opposition to arguing
that this Court should adopt its
D.I. 43 at 8-11.
Plaintiff's reliance on the

actions could have been brought in venues designated in forum selection clauses. E.g., Weber

Aircraft, L.L.C. v. Krishnamurthy, No. 4:12CV666, 2013 WL 1898280, at *10 (E.D. Tex. Apr. 12, 2013).

¹ Plaintiff's assertion that it could not have brought suit against SEA in Delaware is incorrect and misleading. As Plaintiff is well aware and as Samsung explained in its motion And Fifth Circuit courts have consistently held that

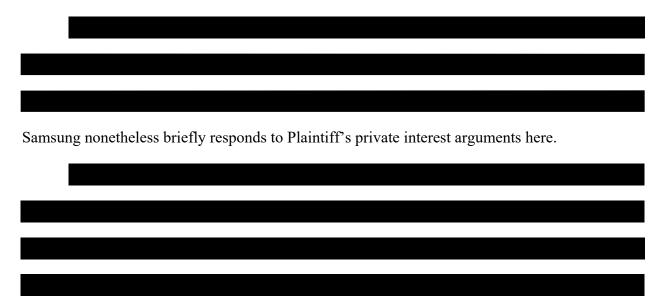
terms. Under the forum selection clause, this interpretation and analysis must be conducted by a
Delaware court applying Delaware law. Second, Plaintiff's willfulness claims necessarily place
all of the parties' post-April 2016 communications at issue. Because a finding of willfulness
requires evidence of Samsung's behavior, consideration of communications from both parties will
be necessary to provide context for the communications cited by Plaintiffs.
But Samsung's ability to do so is , which must be interpreted by a Delaware
court. <i>Third</i> , the Court will be required to interpret and analyze
As these
interpretation issues arise, this Court will be required to either adjudicate them, which is prohibited
by the parties' or to belatedly transfer this case to Delaware after one party
relies on the other party's pre-suit communications, which would be a tremendous waste of the
Court's and the parties' time and resources.
Requiring Plaintiff to litigate its willfulness allegations in Delaware is entirely just. By
alleging willful infringement and seeking to rely on
If Plaintiff's choice of a Texas forum were
of paramount importance, Plaintiffs could have declined to pursue willfulness claims,
But Plaintiffs did none of this. As a result, if Plaintiff wishes to assert willful
infringement and to use communications

II. The Public Interest Factors Favor Transfer

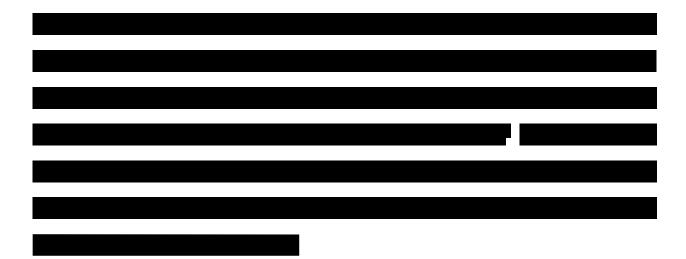
Plaintiff relies almost exclusively on purported congestion in the Delaware courts to demonstrate that the public interest factors disfavor transfer. D.I. 43 at 13-14. But Congress is expected to appoint two new district court judges in Delaware as early as next month. Ex. 1.² And Plaintiff does not cite a single case, nor has Samsung found one, in which court congestion was sufficient to overcome the parties' unambiguous choice of forum.

Plaintiff also relies on SEA's office in Richardson, Texas, asserting that there is "local interest" in deciding this case in Texas. D.I. 43 at 14. This assertion is misleading. SEA is a New York company, headquartered in New Jersey. D.I. 36-23 ¶ 3. Its Texas office is a satellite office that has no responsibility for the design, development, or manufacture of the products accused in this case. *Id.* ¶ 5. In addition, Plaintiff fails to mention that Plaintiff is a Delaware corporation. D.I. 47 ¶ 2. There is thus far more local interest in having this dispute relating to the interests of a Delaware Corporation resolved in Delaware than in Texas.

III. The Private Factors Favor Transfer



² "Ex." refers to Exhibits to the Declaration of Anthony G. Beasley in support of Defendants' Reply, filed concurrently herewith.



Plaintiff next argues that Texas is a more convenient forum because SEA has an office in Richardson, Texas and Samsung Austin Semiconductor ("SAS"), a non-party, has an office in Austin, Texas. D.I. 43 at 12. But any SEA documents located in Texas are equally accessible from SEA's New Jersey headquarters, which is far closer to Delaware than to Texas. D.I. 36-23 ¶ 6. In addition, SAS is a Delaware corporation and its facilities in Austin, Texas, are outside of this Court's subpoena power. Ex. 2. This factor is therefore neutral or weighs in favor of transferring this case to Delaware.

Finally, this case has just begun. Neither party has served discovery requests, the *Markman* hearing is not for another seven months, in September, and trial is set for May 2019. D.I. 46. And Plaintiffs will not be required to "re-litigate" anything as a result of transfer. D.I. 43 at 12. Their infringement contentions will be equally applicable in Delaware.

IV. Conclusion

In light of the parties' unambiguous agreement to litigate disputes in Delaware, Samsung asks the Court to grant its motion to transfer this case to Delaware.

Dated: February 23, 2018 Respectfully submitted,

By: /s/ Melissa R. Smith

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Attorneys for Defendants Samsung Electronics Company, Ltd. and Samsung Electronics America, Inc. **CERTIFICATE OF SERVICE**

The undersigned certifies that the foregoing document was filed electronically in

compliance with Local Rule CV-5(a). Plaintiff's counsel of record were served with a true and

correct copy of the foregoing document by electronic mail on this the 23rd day of February, 2018.

/s/ Melissa R. Smith

Melissa R. Smith

CERTIFICATE OF AUTHORIZATION TO FILE UNDER SEAL

I hereby certify that the foregoing document is authorized to be filed under seal pursuant

to the Protective Order (DKT56) entered in this case.

/s/ Melissa R. Smith

Melissa R. Smith